

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 320 by Representative Gallot

TAX EXEMPTIONS: Authorizes an exemption from state and local sales taxes for certain machinery and equipment

Synopsis of Senate Amendments

1. Provides that a political subdivision may approve the sales and use tax exemption by a vote or "other affirmative action".
2. Adds retroactivity provision and July 1, 2009 effective date.

Digest of Bill as Finally Passed by Senate

Present law exempts from state and local sales and use taxes machinery and equipment used by a motor vehicle manufacturer with a North American Industry Classification System (NAICS) Code of 3361.

Proposed law retains present law and adds a like exemption for a glass container manufacturer with a NAICS Code of 327213.

Present law authorizes a political subdivision to provide for a sales and use tax exemption for the sales, cost, or lease or rental price of manufacturing machinery and equipment as provided for in present law, either effective upon adoption or enactment, or phased in over a period of time, as set forth in the instrument providing the exemption.

Proposed law retains present law and adds the authority to approve such exemptions through a resolution, vote or other affirmative action, to be effective for a certain period of time or duration.

Provisions of this Act pertaining to the authority of a political subdivision to authorize tax exemptions pursuant to Act No. 1 of the 2004 1st E.S. of the Legislature are intended to be retroactive, remedial and curative.

Effective July 1, 2009.

(Amends R.S. 47:301(16)(m)(i) and (ii), and 337.10(I))